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CIA REVIEWED 16-Nov-2010: NO OBJECTION TO DECLASSIFICATION

GENERAL

REFER TO CIA

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**"Safeguard and Domestic Expenditures", by
Ernest W. Lefever, July 9, 1969.**

This article by Dr. Ernest W. Lefever, Senior Fellow at the Brookings Institution, argues that the Safeguard system does not "rob" domestic programs, and that "saving money" from needed national security programs is an unwise course of action.

ASIA

1. **"The Soviet Proposal for a Regional Collective Security System in Asia", CIA, Office of National Estimates, July 16, 1969.**

This is a review of the background of Soviet Asian policy prior to Brezhnev's proposal and discusses general direction of Soviet policies and intentions in pursuing the collective security idea.

2. **"Transpacific Relations", by Edwin O. Reischauer, in Kermit Gordon, ed., Agenda for the Nation (Washington: Brookings Institution, 1968).**

In this contribution to the volume published late in 1968 to describe the issues confronting the new Administration, the former Ambassador to Japan contends that we have over-estimated the ability of the United States to control forces in Asia. Indeed he considers hegemony by any power in that area unlikely. According to Reischauer our interests lie in the creation of a multilateral balance of power in which we would strive to increase the relative influence of friendly Asian powers and in this sense reduce our own. Since leaving the government, Reischauer has returned to Harvard University where he completed his most recent book Beyond Vietnam.

3. **"It's Better to be There", The Economist, June 28, 1969.**

The Economist argues along the lines of Mr. Heath's proposals for a continued British presence in Singapore.

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MIDDLE EAST

"Britain's Withdrawal", by Sir William Luce,
The Royal United Service Institution Journal,
March 1969. Reprinted by permission. SURVIVAL,
June 1969

An analysis of the strategic and political implications of the withdrawal of the British from the Persian Gulf.

AFRICA

"Elements of a Nigerian Peace", by Joseph C.
McKenna, Foreign Affairs, July 1969.

In view of the President's increasing personal concern with the Nigerian Civil War, this thoughtful article may be of interest. The author is a professor of Political Science at Fordham University and since 1963 has spent considerable time in Nigeria. The article sketches the background to the present conflict before reviewing the issues that must be confronted in any political settlement. It concludes with some speculation about consequences of various outcomes to the war.

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Enclosure

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THE ECONOMIST JUNE 28, 1969

It's Better to Be There

The only way for Britain to prove that it has the will to help Lee Kuan Yew and its other friends in south-east Asia is to keep some men there after 1971—as Mr Heath has said he would like to

If Mr Heath and the Conservatives do keep British troops east of Suez after 1971—and the debate in Britain seems to be swinging their way—they have just been given a demonstration of the problems they will have to deal with. Last week five countries with an interest in the security of south-east Asia—Britain, Australia, New Zealand, Malaysia and Singapore—met in Canberra. The communiqué at the end of their talks was dutifully cheerful. The decision by Australia and New Zealand to keep forces on the south-east Asian mainland after 1971 was welcomed. So was Mr Healey's announcement that there would almost always be a number of British troops training in the area after the departure, in 1971 on the present Government's schedule, of the last permanent British force. Best of all, perhaps, it was confirmed in Canberra that an efficient radar system will be set up for the defence, under an integrated command, of both Malaysia and Singapore against air attack. But there the list of what the conference achieved ends. The creation of a system of regional security that the local powers can have confidence in is still a long way off.

Last month's riots in Malaysia showed how fragile the stability of south-east Asian governments is. There is a danger of racial strife in Indonesia as well as Malaysia and Singapore. Guarding against this is a job for the home governments; outside assistance is usually irrelevant. But there are two other dangers which the countries represented at the Canberra conference can reasonably regard as their business. One is subversion by local communists whose principal loyalty is to China. Indonesia narrowly escaped being the victim of precisely that sort of subversion four years ago. There is an insurrection, largely Chinese communist in character, still going on in Malaysia; and Singapore lives on the edge of a street revolution. The second danger comes from marxist movements which pay tribute to neither Moscow nor Peking but to some third centre: in this case, North Vietnam. It is countries farther north, like Laos and Cambodia, and to some extent Thailand, that chiefly have to worry about this at the moment; but Malaysia is certainly not wholly immune.

The Canberra conference ended on a note of distrust when a Malaysian spokesman said his government could not accept the Australians' apparent limitation of their commitment to west Malaysia. Mr Gorton, the Australian prime minister, had offended the Malaysians by talking about the indivisibility of "Malaya and Singapore," thus excluding Sabah and Sarawak. Mr Gorton's worry seems to be that the presence of Australian troops in west Malaysia might free Malaysian troops for operations in the east, presumably in defence of Sabah against the Philippines. Australia and New Zealand do not want to get involved with that one. The trouble is that, after a British withdrawal, Australia and New Zealand would be the only countries outside continental south-east Asia in a position to sustain friendly governments in the area. If their support was equivocal, there would be little left for Malaysia and Singapore to do but to increase their own military and security budget to a point where their economic development would be seriously hindered. In any case, Mr Gorton made it clear that if a situation arose that the 1,200 Australian and New Zealand troops were manifestly incapable of dealing with his own country would insist that outside help be sought. He plainly wants to keep a ceiling on the

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